

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING CORPORATE AND INDIVIDUAL INCOME TAX
5 CREDITS FOR EXPENDITURES MADE FOR PROVIDING TRANSPORTATION ALTERNATIVES; AND
6 PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9
10 **NEW SECTION. Section 1. Alternative transportation tax credit.** (1) A taxpayer is entitled to a
11 credit against taxes imposed by 15-30-103, 15-31-101, 15-31-121, and 15-31-122 for a portion of the
12 taxpayer's expenditure for providing transportation alternatives in accordance with the following schedule:

13 10% of the first \$2,000 expended
14 5% of the next \$2,000 expended
15 2.5% of the next \$2,000 expended
16 1.25% of the next \$2,000 expended

17 (2) For the purposes of this section, "transportation alternatives" means any program that reduces
18 the number of single-occupant motor vehicles commuting to a business employment site, including but not
19 limited to:

20 (a) carpools;
21 (b) vanpools;
22 (c) transit passes;
23 (d) bicycle and pedestrian programs and amenities; and
24 (e) preferential parking plans for carpools and vanpools.

25 (3) A taxpayer may claim a credit under this section and may, if otherwise permitted, deduct the
26 taxpayer's expenditure for providing transportation alternatives under 15-30-111 or 15-31-114.

27 (4) The credit allowed by this section may not be refunded if the taxpayer has a tax liability less
28 than the amount of the credit. If the sum of credit carryovers from the credit, if any, and the amount of
29 credit allowed by this section for the tax year exceeds the taxpayer's tax liability for the current tax year,
30 the excess attributable to the current tax year's credit is a credit carryover to the 7 succeeding tax years.

1 The entire amount of unused credit must be carried forward to the earliest of the succeeding years, and
2 the oldest available unused credit must be used first.

3 (5) If the credit under this section is claimed by a small business corporation, as defined in
4 15-31-201, or a partnership, the credit must be attributed to shareholders or partners, using the same
5 proportion used to report the corporation's or partnership's income or loss for Montana income tax
6 purposes.

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8 NEW SECTION. **Section 2. Alternative transportation tax credit.** A taxpayer is entitled to a credit
9 against taxes imposed by 15-30-103 for a portion of the taxpayer's expenditure for providing
10 transportation alternatives, as provided in [section 1].

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12 NEW SECTION. **Section 3. Codification instruction.** (1) [Section 1] is intended to be codified as
13 an integral part of Title 15, chapter 31, and the provisions of Title 15, chapter 31, apply to [section 1].

14 (2) [Section 2] is intended to be codified as an integral part of Title 15, chapter 30, and the
15 provisions of Title 15, chapter 30, apply to [section 2].

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17 NEW SECTION. **Section 4. Effective date.** [This act] is effective on passage and approval.

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19 NEW SECTION. **Section 5. Retroactive applicability.** [This act] applies retroactively, within the
20 meaning of 1-2-109, to tax years beginning after December 31, 2000.

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